

HEALTH QUARTERLY STATEMENT

AS OF March 31., 2002

OF THE CONDITION AND AFFAIRS OF THE

CARE CHOICES HMO

NAIC Group Code		(Current Period)		(Prior Period)	NAIC Company Code	95452	Employer's ID Number	38-2694901
Organized under the Laws of	Michigan				State of Domicile or Port of Entry	Michigan		
Country of Domicile	US							
Licensed as business type:	Life, Accident & Health[]		Property/Casualty[]		Hospital, Medical & Dental Service or Indemnity[]			
	Dental Service Corporation[]		Vision Service Corporation[]		Health Maintenance Organization[X]			
	Other[]		Is HMO Federally Qualified? Yes[X] No[]					
Date Incorporated or Organized	07/08/1986				Date Commenced Business	01/01/1987		
Statutory Home Office	34605 Twelve Mile Road				Farmington Hills, MI 48331			
	(Street and Number)				(City, or Town, State and Zip Code)			
Main Administrative Office	34605 Twelve Mile Road							
	(Street and Number)							
	Farmington Hills, MI 48331				(248)489-6321-			
	(City or Town, State and Zip Code)				(Area Code) (Telephone Number)			
Mail Address	34605 Twelve Mile Road				Farmington Hills, MI 48331			
	(Street and Number or P.O. Box)				(City, or Town, State and Zip Code)			
Primary Location of Books and Records	34605 Twelve Mile Road							
	(Street and Number)							
	Farmington Hills, MI 48331				(248)489-6321-			
	(City, or Town, State and Zip Code)				(Area Code) (Telephone Number)			
Internet Website Address	www.carechoices.com							
Statutory Statement Contact	Donna J. West				(248)489-6321-			
	(Name)				(Area Code)(Telephone Number)(Extension)			
	WESTD@trinity-health.org				(248)489-6191-			
	(E-Mail Address)				(Fax Number)			
Policyowner Relations Contact								
	(Street and Number)							
	(City, or Town, State and Zip Code)				(Area Code) (Telephone Number)(Extension)			

President	William R. Alvin
Secretary	vacant
Treasurer	Michael Koziara
Chief Medical Officer	Paul Dake MD #

VICE PRESIDENTS

DIRECTORS OR TRUSTEES

James H. Peppiatt-Combes
William R. Alvin
Mary Ellen Howard RSM
Agnes Spitzza

Jay Herron
Howard B. Weinblatt MD
Lisa Reed
Paul Hughes-Cromwick

Paul Harkaway MD #
Molly Resnik
Michael Slubowski
AkkeNeel Talsma #

State of Michigan
County of Oakland ss

The officers of this reporting entity, being duly sworn, each depose and say that they are the described officers of the said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon, except as herein stated, and that this statement, together with related exhibits, schedules and explanations therein contained, annexed or referred to, is a full and true statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and deductions therefrom for the period ended, and have been completed in accordance with the NAIC Annual Statement Instructions and Accounting Practices and Procedures manuals except to the extent that: (1) state law may differ; or, (2) that state rules or regulations require differences in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively.

(Signature)	(Signature)	(Signature)
William R. Alvin	Paul Dake, MD	Michael Koziara
(Printed Name)	(Printed Name)	(Printed Name)
President and CEO	Chief Medical Officer	Chief Financial Officer

Subscribed and sworn to before me this
day of , 2002

- a. Is this an original filing?
b. If no, 1. State the amendment number
2. Date filed
3. Number of pages attached

Yes[X] No[]

(Notary Public Signature)

ASSETS

		Current Period			Prior Year
		1	2	3	4
		Assets	Nonadmitted Assets	Net Admitted Assets	Net Admitted Assets
1.	Bonds				
2.	Stocks:				
2.1	Preferred stocks				
2.2	Common stocks				
3.	Mortgage loans on real estate:				
3.1	First liens				
3.2	Other than first liens				
4.	Real estate (Schedule A):				
4.1	Properties occupied by the company (less \$..... encumbrances)			(a).....	
4.2	Properties held for the production of income (less \$..... encumbrances)				
4.3	Properties held for sale (less \$..... encumbrances)				
5.	Cash (\$.....53,725,870) and short-term investments (\$.....1,011,238)	54,737,107		54,737,107	52,213,735
6.	Other long-term invested assets				
7.	Receivable for securities				
8.	Aggregate write-ins for invested assets				
9.	Subtotal cash and invested assets (Lines 1 to 8)	54,737,107		54,737,107	52,213,735
10.	Accident and health premiums due and unpaid	2,335,720		2,335,720	1,574,129
11.	Health care receivables	1,404,312		1,404,312	817,609
12.	Amounts recoverable from reinsurers	(16,174)		(16,174)	338,774
13.	Net adjustment in assets and liabilities due to foreign exchange rates				
14.	Investment income due and accrued	193,933		193,933	61,078
15.	Amounts due from parent, subsidiaries and affiliates	727,884	137,039	590,845	829,001
16.	Amounts receivable relating to uninsured accident and health plans				
17.	Furniture and equipment				
18.	Amounts due from agents				
19.	Federal and foreign income tax recoverable and interest thereon (including \$..... net deferred tax asset)				
20.	Electronic data processing equipment and software				
21.	Other nonadmitted assets				
22.	Aggregate write-ins for other than invested assets				
23.	Total assets (Lines 9 plus 10 through 22)	59,382,782	137,039	59,245,743	55,834,326
DETAILS OF WRITE-INS					
0801				
0802				
0803				
0898.	Summary of remaining write-ins for Line 8 from overflow page				
0899.	TOTALS (Lines 0801 through 0803 plus 0898) (Line 8 above)				
2201.	State of Michigan - Psycotropic drug refund				
2202.	A/P Claims				
2203				
2298.	Summary of remaining write-ins for Line 22 from overflow page				
2299.	TOTALS (Lines 2201 through 2203 plus 2298) (Line 22 above)				

(a) \$..... health care delivery assets included in Line 4.1, Column 3.

LIABILITIES, CAPITAL AND SURPLUS

		Current Period			Prior Year
		1 Covered	2 Uncovered	3 Total	4 Total
1.	Claims unpaid (less \$..... reinsurance ceded)	27,320,857		27,320,857	27,576,052
2.	Accrued medical incentive pool and bonus payments				
3.	Unpaid claims adjustment expenses				
4.	Aggregate policy reserves				
5.	Aggregate claim reserves				
6.	Premiums received in advance	4,190,565		4,190,565	2,426,178
7.	General expenses due or accrued				
8.	Federal and foreign income tax payable and interest thereon (including \$..... on realized capital gains (losses) (including \$..... net deferred tax liability)				
9.	Amounts withheld or retained for account of others				
10.	Borrowed money (including \$..... current) and interest thereon \$..... (including \$..... current)				
11.	Amounts due to parent, subsidiaries and affiliates	5,136,703		5,136,703	5,117,335
12.	Payable for securities				
13.	Funds held under reinsurance treaties with (\$..... authorized reinsurers and \$..... unauthorized reinsurers)				
14.	Reinsurance in unauthorized companies				
15.	Net adjustments in assets and liabilities due to foreign exchange rates				
16.	Liability for amounts held under uninsured accident and health plans				
17.	Aggregate write-ins for other liabilities (including \$..... current)	484,519		484,519	678,418
18.	Total liabilities (Lines 1 to 17)	37,132,644		37,132,644	35,797,983
19.	Common capital stock	X X X	X X X		
20.	Preferred capital stock	X X X	X X X		
21.	Gross paid in and contributed surplus	X X X	X X X	11,500,000	11,500,000
22.	Surplus notes	X X X	X X X	5,000,000	5,000,000
23.	Aggregate write-ins for other surplus funds	X X X	X X X		
24.	Unassigned funds (surplus)	X X X	X X X	5,613,099	3,536,343
25.	Less treasury stock, at cost:	X X X	X X X		
25.1 shares common (value included in Line 19 \$.....)	X X X	X X X		
25.2 shares preferred (value included in Line 20 \$.....)	X X X	X X X		
26.	Total capital and surplus (Lines 19 to 24, Less 25)	X X X	X X X	22,113,099	20,036,343
27.	Total liabilities, capital and surplus (Lines 18 and 26)	X X X	X X X	59,245,743	55,834,326
DETAILS OF WRITE-INS					
1701.	Risk Non-Affiliate	226,133		226,133	89,642
1702.	Accrued Liabilities	258,386		258,386	588,776
1703				
1798.	Summary of remaining write-ins for Line 17 from overflow page				
1799.	TOTALS (Lines 1701 through 1703 plus 1798) (Line 17 above)	484,519		484,519	678,418
2301	X X X	X X X		
2302	X X X	X X X		
2303	X X X	X X X		
2398.	Summary of remaining write-ins for Line 23 from overflow page	X X X	X X X		
2399.	TOTALS (Lines 2301 through 2303 plus 2398) (Line 23 above)	X X X	X X X		

STATEMENT OF REVENUE AND EXPENSES

		Current Year to Date		Prior Year
		1 Uncovered	2 Total	3 Total
1.	Member Months	X X X	389,688	1,563,101
2.	Net premium income	X X X	71,826,457	258,627,838
3.	Change in unearned premium reserves and reserve for rate credits	X X X		
4.	Fee-for-service (net of \$..... medical expenses)	X X X		
5.	Risk revenue	X X X		
6.	Aggregate write-ins for other health care related revenues	X X X		
7.	TOTAL REVENUES (Lines 2 to 6)	X X X	71,826,457	258,627,838
Medical and Hospital:				
8.	Hospital/medical benefits		46,236,901	175,335,196
9.	Other professional services			
10.	Outside referrals			
11.	Emergency room and out-of-area		2,248,931	7,535,291
12.	Prescription drugs		12,392,385	
13.	Aggregate write-ins for other medical and hospital			48,306,192
14.	Incentive pool and withhold adjustments		(340,708)	2,066,183
15.	Subtotal (Lines 8 to 14)		60,537,509	233,242,862
LESS:				
16.	Net reinsurance recoveries		(207,673)	(272,395)
17.	Total medical and hospital (Lines 15 minus 16)		60,745,182	233,515,257
18.	Claims adjustment expenses			
19.	General administrative expenses		9,670,836	30,106,171
20.	Increase in reserves for accident and health contracts			
21.	Total underwriting deductions (Lines 17 through 20)		70,416,018	263,621,428
22.	Net underwriting gain or (loss) (Lines 7 minus 21)	X X X	1,410,439	(4,993,590)
23.	Net investment income earned		315,938	1,526,522
24.	Net realized capital gains or (losses)			3,274
25.	Net investment gains or (losses) (Lines 23 plus 24)		315,938	1,529,796
26.	Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$.....), (amount charged off \$.....)]			
27.	Aggregate write-ins for other income or expenses		302,496	683,079
28.	Net income or (loss) before federal income taxes (Lines 22 plus 25 plus 26 plus 27)		2,028,873	(2,780,715)
29.	Federal and foreign income taxes incurred	X X X		
30.	Net income (loss) (Lines 28 minus 29)	X X X	2,028,873	(2,780,715)
DETAILS OF WRITE-INS				
0601	X X X		
0602	X X X		
0603	X X X		
0698.	Summary of remaining write-ins for Line 6 from overflow page	X X X		
0699.	TOTALS (Lines 0601 through 0603 plus 0698) (Line 6 above)	X X X		
1301.	Pharmacy Expense			48,306,192
1302			
1303			
1398.	Summary of remaining write-ins for Line 13 from overflow page			
1399.	TOTALS (Lines 1301 through 1303 plus 1398) (Line 13 above)			48,306,192
2701.	Supplemental Interest Income		302,496	683,079
2702			
2703			
2798.	Summary of remaining write-ins for Line 27 from overflow page			
2799.	TOTALS (Lines 2701 through 2703 plus 2798) (Line 27 above)		302,496	683,079

STATEMENT OF REVENUE AND EXPENSES (Continued)

		1	2
		Current Year to Date	Prior Year
CAPITAL & SURPLUS ACCOUNT			
31.	Capital and surplus prior reporting year	20,036,343	11,307,417
GAINS AND LOSSES TO CAPITAL & SURPLUS			
32.	Net income or (loss) from Line 30	2,028,873	(2,780,715)
33.	Change in valuation basis of aggregate policy and claim reserves		
34.	Net unrealized capital gains and losses	182,940	168,339
35.	Change in net unrealized foreign exchange capital gain or (loss)		
36.	Change in net deferred income tax		
37.	Change in nonadmitted assets	(135,057)	(158,698)
38.	Change in unauthorized reinsurance		
39.	Change in treasury stock		
40.	Change in surplus notes		
41.	Cumulative effect of changes in accounting principles		
42.	Capital Changes:		
42.1	Paid in		
42.2	Transferred from surplus (Stock Dividend)		
42.3	Transferred to surplus		
43.	Surplus adjustments:		
43.1	Paid in		11,500,000
43.2	Transferred to capital (Stock Dividend)		
43.3	Transferred from capital		
44.	Dividends to stockholders		
45.	Aggregate write-ins for gains or (losses) in surplus		
46.	Net change in capital and surplus (Lines 32 to 45)	2,076,756	8,728,926
47.	Capital and surplus end of reporting period (Line 31 plus 46)	22,113,099	20,036,343
DETAILS OF WRITE-INS			
4501		
4502		
4503		
4598.	Summary of remaining write-ins for Line 45 from overflow page		
4599.	TOTALS (Lines 4501 through 4503 plus 4598) (Line 45 above)		

CASH FLOW

		1 Current Year To Date	2 Prior Year
Cash from Operations			
1.	Premiums and revenues collected net of reinsurance	72,538,513	258,599,543
2.	Claims and claims adjustment expenses	60,354,689	234,776,046
3.	General administrative expenses paid	9,670,836	30,106,171
4.	Other underwriting income (expenses)		
5.	Cash from underwriting (Line 1 minus Line 2 minus Line 3 plus Line 4)	2,512,988	(6,282,674)
6.	Net investment income	183,083	1,808,333
7.	Other income (expenses)	302,496	683,079
8.	Federal and foreign income taxes (paid) recovered		
9.	Net cash from operations (Lines 5 to 8)	2,998,567	(3,791,262)
Cash from Investments			
10.	Proceeds from investments sold, matured or repaid:		
10.1	Bonds		567,933
10.2	Stocks		
10.3	Mortgage loans		
10.4	Real estate		
10.5	Other invested assets		
10.6	Net gains or (losses) on cash and short-term investments		3,274
10.7	Miscellaneous proceeds		
10.8	TOTAL investment proceeds (Lines 10.1 to 10.7)		571,207
11.	Cost of investments acquired (long-term only):		
11.1	Bonds		
11.2	Stocks		
11.3	Mortgage loans		
11.4	Real estate		
11.5	Other invested assets		
11.6	Miscellaneous applications		
11.7	TOTAL investments acquired (Lines 11.1 to 11.6)		
12.	Net cash from investments (Line 10.8 minus Line 11.7)		571,207
Cash from Financing and Miscellaneous Sources			
13.	Cash provided:		
13.1	Surplus notes, capital and surplus paid in		11,500,000
13.2	Net transfers from affiliates	257,524	8,820,896
13.3	Borrowed funds received		
13.4	Other cash provided		1,435,863
13.5	TOTAL (Lines 13.1 to 13.4)	257,524	21,756,759
14.	Cash applied:		
14.1	Dividends to stockholders paid		
14.2	Net transfers to affiliates		
14.3	Borrowed funds repaid		
14.4	Other applications	732,719	1,398,047
14.5	TOTAL (Lines 14.1 to 14.4)	732,719	1,398,047
15.	Net cash from financing and miscellaneous sources (Line 13.5 minus Line 14.5)	(475,195)	20,358,712
RECONCILIATION OF CASH AND SHORT-TERM INVESTMENTS			
16.	Net change in cash and short-term investments (Line 9 plus Line 12 plus Line 15)	2,523,372	17,138,657
17.	Cash and short-term investments:		
17.1	Beginning of period	52,213,735	35,075,078
17.2	End of period (Line 16 plus Line 17.1)	54,737,107	52,213,735

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

	1	Comprehensive (Hospital & Medical)		4	5	6	7	8	9	10
		2	3							
	Total	Individual	Group	Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Other
Total Members at end of:										
1. Prior Year	129,578		121,241						8,337	
2. First Quarter	129,995		121,811						8,184	
3. Second Quarter										
4. Third Quarter										
5. Current Year										
6. Current Year Member Months	389,688		365,362						24,326	
Total Member Ambulatory Encounters for Period:										
7. Physician	83,278		79,486						3,792	
8. Non-Physician	125,503		121,664						3,839	
9. Total	208,781		201,150						7,631	
10. Hospital Patient Days Incurred										
11. Number of Inpatient Admissions										
12. Premiums Collected	71,712,804		68,398,376					(13,570)	3,327,998	
13. Premiums Earned	71,826,457		68,494,908						3,331,549	
14. Amount Paid for Provision of Health Care Services	60,745,182		57,609,959						3,135,223	
15. Amount Incurred for Provision of Health Care Services	61,000,376		58,449,293					29,137	2,521,946	

CLAIMS PAYABLE (Reported and Unreported)

Aging Analysis of Unpaid Claims

1 Account	2 1 - 30 Days	3 31 - 60 Days	4 61 - 90 Days	5 91 - 120 days	6 Over 120 Days	7 Total
0199999 Individually Listed Claims Payable
0299999 Aggregate Accounts Not Individually Listed - Uncovered
0399999 Aggregate Accounts Not Individually Listed - Covered	2,375,074	401,258	242,792	110,486	301,892	3,431,502
0499999 Subtotals	2,375,074	401,258	242,792	110,486	301,892	3,431,502
0599999 Unreported claims and other claim reserves						21,920,846
0699999 Total Amounts Withheld						1,968,509
0799999 Total Claims Payable						27,320,857
0899999 Accrued Medical Incentive Pool

UNDERWRITING AND INVESTMENT EXHIBIT

ANALYSIS OF CLAIMS UNPAID-PRIOR YEAR-NET OF REINSURANCE

Line of Business		Claims Paid Year to Date		Liability End of Current Quarter		5 Claims Incurred in Prior Years (Columns 1+3)	6 Estimated Claim Reserve and Claim Liability Dec.31 of Prior Year
		1	2	3	4		
		On Claims Incurred Prior to January 1 of Current Year	On Claims Incurred During the Year	On Claims Unpaid Dec.31 of Prior Year	On Claims Incurred During the Year		
1.	Comprehensive (Hospital & Medical)	15,397,951	41,572,207	9,656,974	14,558,616	25,054,925	25,054,925
2.	Medicare Supplement						
3.	Dental only						
4.	Vision only						
5.	Federal Employees Health Benefits Plan Premiums ..						
6.	Title XVIII - Medicare	25,959		284,221	(3,177)	310,180	310,180
7.	Title XIX - Medicaid	759,369	2,589,304	1,451,578	1,372,645	2,210,947	2,210,947
8.	Other						
9.	Subtotal	16,183,279	44,161,511	11,392,773	15,928,084	27,576,052	27,576,052
10.	Medical incentive pools, accruals and disbursements ..		533,426				
11.	TOTALS	16,183,279	44,694,937	11,392,773	15,928,084	27,576,052	27,576,052

Notes to Financial Statement

GENERAL INTERROGATORIES

(Responses to these interrogatories should be based on changes that have occurred since the prior year end unless otherwise noted)

PART 1 - COMMON INTERROGATORIES
GENERAL

- 1.1 Did the reporting entity implement any significant accounting policy changes which would require disclosure in the Notes to the Financial Statements?

Yes[] No[X]
- 1.2 If yes, explain:
- 2.1 Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act?

Yes[] No[X]
- 2.2 If yes, has the report been filed with the domiciliary state?

Yes[] No[X]
- 3.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity?

Yes[] No[X]
- 3.2 If yes, date of change:
If not previously filed, furnish herewith a certified copy of the instrument as amended.
4. Have there been any substantial changes in the organizational since the prior quarter end?
If yes attach an organizational chart.

Yes[] No[X]
- 5.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement?

Yes[] No[X]
- 5.2 If yes, provide the name of entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

1	2	3
Name of Entity	NAIC Company Code	State of Domicile
.....

6. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved?
If yes, attach an explanation.

Yes[] No[X] N/A[]
- 7.1 State as of what date the latest financial examination of the reporting entity was made or is being made.

12/31/1999
- 7.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released.

12/31/1999
- 7.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date).

09/25/2000
- 7.4 By what department or departments?
- 8.1 Has this reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? (You need not report an action, either formal or informal, if a confidentiality clause is part of the agreement.)

Yes[] No[X]
- 8.2 If yes, give full information

GENERAL INTERROGATORIES (continued)

(Responses to these interrogatories should be based on changes that have occurred since prior year end unless otherwise noted.)

INVESTMENT

- 9.1

Has there been any changes in the reporting entity's own preferred or common stock?

Yes[] No[X]
- 9.2

If yes, explain:
- 10.1

Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.)

Yes[] No[X]
- 10.2

If yes, give full and complete information relating thereto:
11.

Amount of real estate and mortgages held in other invested assets in Schedule BA:

\$
12.

Amount of real estate and mortgages held in short-term investments:

\$
- 13.1

Does the reporting entity have any investments in parent, subsidiaries and affiliates?

Yes[] No[X]
- 13.2

If yes, please complete the following:

	1 Prior Year-End Statement Value	2 Current Quarter Statement Value
13.21 Bonds		
13.22 Preferred Stock		
13.23 Common Stock		
13.24 Short-Term Investments		
13.25 Mortgages, Loans or Real Estate		
13.26 All Other		
13.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 13.21 to 13.26)		
13.28 Total Investment in Parent included in Lines 13.21 to 13.26 above		
13.29 Receivable from Parent not included in Lines 13.21 to 13.26 above		

- 14.1

Does the reporting entity have any hedging transactions reported in Schedule DB?

Yes[] No[X]
- 14.2

If yes, has a comprehensive description of the hedging program been made available to the domiciliary state?
If no, attach a description with this statement.

Yes[] No[X]
15.

Excluding items in Schedule E, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Part 1 - General, Section IV, H-Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook?

Yes[] No[X]
- 15.1

For all agreements that comply with the requirements of the NAIC Financial Condition Examiners Handbook, complete the following:

1 Name of Custodian(s)	2 Custodian Address

- 15.2

For all agreements that do not comply with the requirements of the NAIC Financial Condition Examiners Handbook, provide the name, location and a complete explanation:

1 Name(s)	2 Location(s)	3 Complete Explanation(s)

- 15.3

Have there been any changes, including name changes, in the custodian(s) identified in 15.1 during the current year?

Yes[] No[X]
- 15.4

If yes, give full and complete information relating thereto:

1 Old Custodian	2 New Custodian	3 Date of Change	4 Reason

- 15.5

Identify all investment advisors, brokers/dealers or individuals acting on behalf of broker/dealers that have access to the investment accounts, handle securities and have authority to make investments on behalf of the reporting entity:

1 Central Registration Depository	2 Name(s)	3 Address

SCHEDULE A - VERIFICATION

		1	2	3	4
		First Quarter Current Year	Second Quarter Current Year	Third Quarter Current Year	Prior Year Ended December 31
1.	Book/adjusted carrying value, beginning of period				
2.	Increase (decrease) by adjustment				
3.	Cost of acquired				
4.	Cost of additions to and permanent improvements				
5.	Total profit (loss) on sales				
6.	Increase (decrease) by foreign exchange adjustment	N O N E			
7.	Amount received on sales				
8.	Book/adjusted carrying value at end of current period				
9.	Total valuation allowance				
10.	Subtotal (Lines 8 plus 9)				
11.	Total nonadmitted amounts				
12.	Statement value, current period (Page 2, real estate lines, current period)				

SCHEDULE B - VERIFICATION

		1	2	3	4
		First Quarter Current Year	Second Quarter Current Year	Third Quarter Current Year	Prior Year Ended December 31
1.	Book/recorded investment excluding accrued interest on mortgages owned, beginning of period				
2.	Amount loaned during period:				
2.1	Actual cost at time of acquisitions				
2.2	Additional investment made after acquisitions				
3.	Accrual of discount and mortgage interest points and commitment fees				
4.	Increase (decrease) by adjustment	N O N E			
5.	Total profit (loss) on sale				
6.	Amounts paid on account or in full during the period				
7.	Amortization of premium				
8.	Increase (decrease) by foreign exchange adjustment				
9.	Book value/recorded investment excluding accrued interest on mortgages owned at end of current period				
10.	Total valuation allowance				
11.	Subtotal (Lines 9 plus 10)				
12.	Total nonadmitted amounts				
13.	Statement value of mortgages owned at end of current period				

SCHEDULE BA - VERIFICATION

Other Invested Assets Included in Schedule BA

		1	2	3	4
Description		First Quarter Current Year	Second Quarter Current Year	Third Quarter Current Year	Prior Year Ended December 31
1.	Book/adjusted carrying value of long-term invested assets owned, beginning of period				
2.	Cost of acquisitions during period:				
2.1	Actual cost at time of acquisitions				
2.2	Additional investment made after acquisitions				
3.	Accrual of discount				
4.	Increase (decrease) by adjustment	N O N E			
5.	Total profit (loss) on sale				
6.	Amounts paid on account or in full during the period				
7.	Amortization of premium				
8.	Increase (decrease) by foreign exchange adjustment				
9.	Book/adjusted carrying value of long-term invested assets at end of current period				
10.	Total valuation allowance				
11.	Subtotal (Lines 9 plus 10)				
12.	Total nonadmitted amounts				
13.	Statement value of long-term invested assets at end of current period				

SCHEDULE D - PART 1B
Showing the Acquisitions, Dispositions and Non-Trading Activity
During the Current Quarter for all Bonds and Preferred Stock by Rating Class

	1 Statement Value Beginning of Current Quarter	2 Acquisitions During Current Quarter	3 Dispositions During Current Quarter	4 Non-Trading Activity During Current Quarter	5 Statement Value End of First Quarter	6 Statement Value End of Second Quarter	7 Statement Value End of Third Quarter	8 Statement Value December 31 Prior Year
BONDS								
1. Class 1	30,505,760	8,917,871	38,412,393		1,011,238			30,505,760
2. Class 2								
3. Class 3								
4. Class 4								
5. Class 5								
6. Class 6								
7. TOTAL Bonds	30,505,760	8,917,871	38,412,393		1,011,238			30,505,760
PREFERRED STOCK								
8. Class 1								
9. Class 2								
10. Class 3								
11. Class 4								
12. Class 5								
13. Class 6								
14. TOTAL Preferred Stock								
15. TOTAL Bonds & Preferred Stock	30,505,760	8,917,871	38,412,393		1,011,238			30,505,760

SCHEDULE DA - PART 1

Short - Term Investments Owned End of Current Quarter

	1 Book/Adjusted Carrying Value	2 Par Value	3 Actual Cost	4 Amount of Interest Received Current Quarter	5 Paid for Accrued Interest
8099999. TOTALS	1,011,238	X X X	1,011,238	26,316	5,150

SCHEDULE DA - PART 2 - Verification

Short-Term Investments Owned

	1 First Quarter Current Year	2 Second Quarter Current Year	3 Third Quarter CurrentYear	4 Prior Year Ended December 31
1. Book/adjusted carrying value, beginning of period	30,505,760	21,253,209
2. Cost of short-term investments acquired	8,917,871	87,522,686
3. Increase (decrease) by adjustment
4. Increase (decrease) by foreign exchange adjustment
5. Total profit (loss) on disposal of short-term investments	(1,822)
6. Consideration received on disposal of short-term investments	38,412,393	78,268,313
7. Book/adjusted carrying value, current period	1,011,238	30,505,760
8. Total valuation allowance
9. Subtotals (Lines 7 plus 8)	1,011,238	30,505,760
10. Total nonadmitted amounts	182,940
11. Statement value (Lines 9 minus 10)	1,011,238	30,322,820
12. Income collected during period	26,316	994,583
13. Income earned during period	31,366	1,016,157

16 Schedule DB Part F Section 1..... NONE

17 Schedule DB Part F Section 2..... NONE

18 Schedule S Ceded Reinsurance NONE

SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS

Allocated by States and Territories

State, Etc.			1 Guaranty Fund (Yes or No)	2 Is Insurer Licensed (Yes or No)	Direct Business Only Year-to-Date			
					3 Premiums	4 Medicare Title XVIII	5 Medicaid Title XIX	6 Federal Employees Health Benefits Program Premiums
1.	Alabama	AL No No ..				
2.	Alaska	AK No No ..				
3.	Arizona	AZ No No ..				
4.	Arkansas	AR No No ..				
5.	California	CA No No ..				
6.	Colorado	CO No No ..				
7.	Connecticut	CT No No ..				
8.	Delaware	DE No No ..				
9.	District of Columbia	DC No No ..				
10.	Florida	FL No No ..				
11.	Georgia	GA No No ..				
12.	Hawaii	HI No No ..				
13.	Idaho	ID No No ..				
14.	Illinois	IL No No ..				
15.	Indiana	IN No No ..				
16.	Iowa	IA No No ..				
17.	Kansas	KS No No ..				
18.	Kentucky	KY No No ..				
19.	Louisiana	LA No No ..				
20.	Maine	ME No No ..				
21.	Maryland	MD No No ..				
22.	Massachusetts	MA No No ..				
23.	Michigan	MI No Yes ..	68,494,908		3,331,550	
24.	Minnesota	MN No No ..				
25.	Mississippi	MS No No ..				
26.	Missouri	MO No No ..				
27.	Montana	MT No No ..				
28.	Nebraska	NE No No ..				
29.	Nevada	NV No No ..				
30.	New Hampshire	NH No No ..				
31.	New Jersey	NJ No No ..				
32.	New Mexico	NM No No ..				
33.	New York	NY No No ..				
34.	North Carolina	NC No No ..				
35.	North Dakota	ND No No ..				
36.	Ohio	OH No No ..				
37.	Oklahoma	OK No No ..				
38.	Oregon	OR No No ..				
39.	Pennsylvania	PA No No ..				
40.	Rhode Island	RI No No ..				
41.	South Carolina	SC No No ..				
42.	South Dakota	SD No No ..				
43.	Tennessee	TN No No ..				
44.	Texas	TX No No ..				
45.	Utah	UT No No ..				
46.	Vermont	VT No No ..				
47.	Virginia	VA No No ..				
48.	Washington	WA No No ..				
49.	West Virginia	WV No No ..				
50.	Wisconsin	WI No No ..				
51.	Wyoming	WY No No ..				
52.	American Samoa	AS No No ..				
53.	Guam	GU No No ..				
54.	Puerto Rico	PR No No ..				
55.	U.S. Virgin Islands	VI No No ..				
56.	Canada	CN No No ..				
57.	Aggregate other alien	OT X X X X X X ..				
58.	TOTAL (Direct Business) X X X ..	(a)..... 1	68,494,908		3,331,550	
DETAILS OF WRITE-INS								
5701 X X X X X X ..				
5702 X X X X X X ..				
5703 X X X X X X ..				
5798.	Summary of remaining write-ins for Line 57 from overflow page X X X X X X ..				
5799.	TOTALS (Lines 5701 through 5703 plus 5798) (Line 57 above) X X X X X X ..				

(a) Insert the number of yes responses except for Canada and Other Alien.

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP

All insurer members of a Holding Company Group that has acquired and/or disposed of any domestic insurer (s) since filing the last annual or quarterly statement shall prepare a common schedule for inclusion in each of the individual quarterly statements

PART 1 - ORGANIZATIONAL CHART

Please see attached

**SUPPLEMENTAL EXHIBITS AND SCHEDULES
INTERROGATORIES**

RESPONSES

1. Will the SVO Compliance Certification be filed with this statement?

No

Explanation:

Bar Code:



E01	Schedule A Part 2.	NONE
E01	Schedule A Part 3.	NONE
E02	Schedule B Part 1.	NONE
E02	Schedule B Part 2.	NONE
E03	Schedule BA Part 1.	NONE
E03	Schedule BA Part 2	NONE
E04	Schedule D Part 3.	NONE
E05	Schedule D Part 4.	NONE
E06	Schedule DB Part A Section 1.	NONE
E06	Schedule DB Part B Section 1.	NONE
E07	Schedule DB Part C Section 1.	NONE
E07	Schedule DB Part D Section 1.	NONE

SCHEDULE E - PART 1 - CASH

Month End Depository Balances									
1			2	3	4	Book Balance at End of Each Month			8
						During Current Quarter			
Depository			Rate of Interest	Amount of Interest Received During Current Quarter	Amount of Interest Accrued at Current Statement Date	5	6	7	*
						First Month	Second Month	Third Month	
open depositories									
Comerica Bank	P.O. Box 75000, Detroit MI 48275		4.530	220,585	63,887	23,317,028	22,282,294	53,725,870	
0199998 Deposits in depositories which do not exceed the allowable limit in any one depository (See Instructions) - open depositories			X X X						
0199999 Totals - Open Depositories			X X X	220,585	63,887	23,317,028	22,282,294	53,725,870	
0299998 Deposits in depositories which do not exceed the allowable limit in any one depository (See Instructions) - suspended depositories			X X X						
0299999 Totals - Suspended Depositories			X X X						
0399999 Total Cash On Deposit			X X X	220,585	63,887	23,317,028	22,282,294	53,725,870	
0499999 Cash in Company's Office			X X X	X X X	X X X				
0599999 Total Cash			X X X	220,585	63,887	23,317,028	22,282,294	53,725,870	

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